

## CalPERS Forecast Total Risk (1 Standard Deviation) - One Year Horizon June 30, 2008

<u>Asset Class</u>	<u>Policy Risk Benchmark</u>	<u>Portfolio Risk</u>	<u>Benchmark Risk</u>	<u>Asset/Liability Assumptions</u>
US Equity	PERS2500	13.2%	14.0%	15.5%
International Equity	FTSE All-World xUS 25% hedged	13.4%	13.9%	17.5%
Global Fixed	Global Fixed Income	4.8%	5.1%	6.5%
Real Estate	NCREIF Proxy	16.2%	12.1%	17.0%
Alternative Investment	AIM Benchmark Proxy	20.2%	25.6%	25.0%
Inflation Linked	CPI	10.2%	6.7%	14.0%
Cash	US Dollar	0.5%	0.0%	1.5%
<b>TOTAL FUND</b>	<b>Total Fund Blended Benchmark</b>	<b>8.6%</b>	<b>8.0%</b>	<b>11.4%</b>

**Total Fund Risk**  
**History of 1 Year Forecast Total Risk**

